

HOUSE No. 2470

By Mr. Bosley of North Adams, petition of Daniel E. Bosley relative to operations manufacturing value added agricultural products under the corporate tax laws. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO VALUE ADDED AGRICULTURAL PRODUCTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 20. Section 38 (*l*) (1) of Chapter 63 of the General
2 Laws, as appearing in the 2002 Official Edition, is hereby
3 amended by inserting at the end of the first paragraph thereof the
4 following:

5 “Any operation manufacturing value-added agricultural prod-
6 ucts shall be considered a manufacturing corporation. “Value-
7 added agricultural products” shall be defined as any products of
8 “farming” or “agriculture”, as defined in section 1A of Chapter
9 128, that have increased in market value on account of some
10 process other than packaging. Value-added agricultural products
11 shall include but not be limited to: cheese, butter, buttermilk,
12 yogurt, ice cream, fruit preserves, fruit juices, fruit sauces, fruit
13 syrops, dried fruits, seeded fruits, peeled or chopped fruits and
14 vegetables, processed fruits and vegetables, salads, maple syrup,
15 maple candy, honey and all apicultural products, horticulture
16 nursery and greenhouse products, topiary plants, bacon, sausage,
17 lard, dried or smoked meat, and wool.”

1 SECTION 21. Said section 38 (*l*) (1) of Chapter 63, as so
2 appearing, is further amended by striking the sentence “A
3 domestic or foreign manufacturing corporation’s activities will be
4 considered to be substantial if any one of the following five tests
5 are met:” and inserting in place thereof the following sentence:

6 “A domestic or foreign manufacturing corporation’s activities
7 will be considered to be substantial if any one of the following six
8 tests are met:”

1 SECTION 22. Said section 38 (*l*) (1) of Chapter 63, as so
2 appearing, is further amended by inserting after test 5 the
3 following sentence:

4 “6. The corporation’s annual gross receipts from the sale of
5 value-added agricultural products generate over \$500 in annual
6 gross receipts.”